



E-ALERT

Create a Job and Earn a New-Hire Tax Credit

Dear Friend,

According to a year-over-year comparison from September 2008 to September 2009, employment in California has decreased by 732,700 jobs. Despite national news from economists suggesting the end of the recession may be near, job creation in California needs to remain a top priority. Far too many people are still unemployed or underemployed in our state. We need to regain the jobs we've lost since 2008 and begin new efforts to grow our economy.

The economic stimulus portion of the state budget agreement reached by the Legislature and the Governor last February recognized that top priority by creating a tax credit for new job hires. The tax credit program enables small businesses of 20 employees or less to receive a tax credit of \$3,000 for hiring someone new.

This tax credit is expected to create thousands of jobs and is also estimated to save small businesses \$15 million in fiscal year 2008-2009 and \$330 million in fiscal year 2009-2010.

If you or your business is in a position to do so, you should hire sooner rather than later to take advantage of the hiring tax credit, as there is a cap of \$400 million for this program. To qualify, your business must document that there was a net increase in full-time employees compared to the number of full-time employees employed in the preceding taxable year.

To learn more about the new tax credit, visit www.ftb.ca.gov, or ask your tax advisor. Franchise Tax Board form # 3527 will be available soon for personal or business tax return filings. [Click here](#) to see the draft form.

Thank you for your interest in bringing back California's vibrant economy.

Sincerely,

JOSE SOLORIO

State Assemblyman

P.S. Feel free to forward this email to any small business owners who you think would benefit from this new jobs tax credit.